EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
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June 13, 1951

CIRCULAR NO. A-44
(Issued jointly with the
Civil Service Commission)

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Conservation and utilization of manpower in the Federal Government.

1. Purpose. The President, in his letter of 8 June 1951 to the Director of the Bureau of the Budget and the Chairman of the Civil Service Commission, stressed the importance of conserving manpower and stated that all agencies would be responsible for giving this objective top priority. Because effective manpower utilization is a critical need at this time, it is essential that each Government agency give special attention to the prevention of overstaffing and nonessential activities and to the bringing about of maximum effectiveness and economy in the utilization of its personnel. Such actions fall within the continuing responsibility of the head of each department and establishment to provide efficient and economical operations, and should be given special emphasis under the President's Management Improvement Program.

This Circular is issued jointly by the Civil Service Commission and the Bureau of the Budget, with the enthusiastic endorsement of the Manpower Policy Committee of the Office of Defense Mobilization. It sets forth the responsibilities for achieving manpower conservation and utilization in the Federal Government; lists steps to be taken by each agency including the central management agencies in effecting this program; and prescribes reports to be made.

2. Coverage. The provisions of this Circular are applicable to all Federal departments and establishments including the municipal Government of the District of Columbia. Emphasis, however, in the central review and inspection phases of the program will be given to those agencies and bureaus which employ large numbers of people.

3. Agency actions for the conservation and utilization of manpower. As a part of its continuing management improvement program, each department and agency is responsible for taking steps to assure the most effective and economical use of all its resources. Because shortages of manpower are becoming increasingly critical in the present emergency, it is imperative that each agency give top priority to those management improvement activities that are specially designed to assure the effective conservation and utilization of personnel. Existing organization, procedures and methods, designed from the standpoint of overall economy of men, money and materials, may require revision in the light of the present emphasis on manpower conservation.

Measures such as those listed below have proved useful in assuring effective use of manpower in many agencies. Each agency should reexamine its existing program for manpower utilization to assure that it is making the most effective use of measures such as the following:

a. Actions to conserve manpower through improved organization, procedures, and methods:

(1) Plan and schedule work programs so as to assure that personnel needs and recruiting are held to a minimum.

(2) Re-analyze organization structure to insure that personnel requirements are as low as possible, consistent with good management.

(3) Re-examine procedures in the light of personnel shortages. Use production planning and control techniques in mass operations. Use simplified procedures such as those developed for such activities as personnel processing and record keeping, pay roll, and accounting.

(4) Study work methods with special emphasis on conserving manpower and use modern business machines where applicable. Use dictating machines, stenographic pool arrangements, and streamlined correspondence methods to reduce the need for stenographic help. Use systematic methods for controlling forms and reports.

(5) Stress management techniques in supervisory training to develop improvements in procedures and methods. Use Work Simplification or a similar program.

(6) Encourage the participation of all employees in developing organization, procedures and methods that will save manpower. Use suggestion systems, efficiency awards and other incentives to secure suggestions for improvements, to improve morale, and to reward persons responsible for saving manpower.

(7) Adopt modern methods of statistical sampling wherever possible as a substitute for 100 percent reviews, checks and inspections.

(8) Review delegations of authority to assure that they permit operating heads to make decisions and put into effect improvements in organization, procedures and methods that will save manpower.

(9) Re-examine review systems to assure that they are being used to identify major areas where possibilities exist for saving manpower. Review systems should also be used to identify requirements or restrictions in law or regulation which should be eliminated or modified in the interest of conserving manpower.

b. Actions to achieve the maximum utilization of manpower through improved personnel management:

(1) Inform all employees and supervisors of the objectives of the agency manpower conservation program and point out the responsibility of each employee for his cooperation, with that program.

(2) See to it that the supervisors and technicians responsible for the agency's classification program understand that the agency relies on them for the integrity of position descriptions and that public funds are paid out on that basis.

(3) Accelerate your program for simplifying personnel procedures.

(4) Match skills and jobs to achieve better use of major skills.

(5) Determine the extent to which personnel needs can be reduced by the better use of the skills of the employees already on the rolls and by reducing employees' absences and keeping turnover at a minimum.

(6) Shape orientation and training activities so as to improve the development of supervisors and of workers already on the job and to get new employees into efficient production promptly.

(7) Gear employees relations programs to provide reasonable employee incentives and services.

(8) Keep constantly before employees and supervisors the fact that their responsibility for good personnel utilization is a continuing one and that more money and more employees are not the chief means for handling increased workloads.

c. Actions to develop and utilize standards or criteria for determining staffing needs:

(1) Apply work measurement and unit costs where applicable to relate amount of staff needed to amount of work to be done.

(2) Use staffing ratios, staffing guides and other standards where applicable to determine the amount of staff needed in relation to work to be done or other criteria.

(3) Use tables of organization, staffing patterns, or over-all strength controls, where appropriate.

Actions to evaluate results of manpower conservation and utilization efforts:

(1) Determine through the conduct of inspections, or by other means, whether the above measures are being used and the extent of their effectiveness.

(2) Identify through the conduct of inspections, or by other means, specific opportunities for obtaining better use of them.

(3) Report, as required (see paragraph 5), on the benefits derived from the manpower conservation and utilization program.

4. Actions of the central management agencies. As noted in paragraph 3, each agency is responsible for taking all necessary steps to carry out a full-scale employee conservation and utilization program. Government-wide leadership with respect to these efforts will

be taken by the Civil Service Commission and the Bureau of the Budget, with the Commission assuming the primary responsibility for leadership in the application of the measures listed in paragraph 3b. In order to insure that substantial results in conserving manpower are obtained throughout the Government, the Civil Service Commission and the Bureau of the Budget, with the cooperation of the General Services Administration where appropriate, will take the following actions: (a) Provide pertinent information with respect to such measures as are listed in paragraph 3; (b) conduct inspections or surveys to determine the effectiveness of agency actions and to assist the agency in carrying out its responsibilities for conserving manpower; (c) review reports submitted in accordance with the provisions of paragraph 5 of this Circular, and hold hearings as appropriate; (d) further refine and utilize staffing guides for common services and processes; (e) identify and distribute information about particularly effective practices found to be in use in departments and agencies; and (f) give other assistance as appropriate.

The central inspections or surveys mentioned above may be formal or informal, and may be made either separately or jointly. The reports of inspections and classification surveys made by the Civil Service Commission and the reports of inspections made by the General Services Administration, together with information available in General Accounting Office audit and investigation reports and in reports of congressional investigations and hearings, will be used both by the Bureau of the Budget in arriving at budgetary decisions, and by the Civil Service Commission in making personnel decisions, that will insure the use of effective conservation and utilization practices.

5. Reports and hearings.

a. Hearings to review the 1952 staffing needs of a selected list of agencies using large numbers of people will be held by the Bureau of the Budget in connection with the approval of apportionments for 1952. Agencies should be prepared to report informally at these hearings on the standards used to determine the number of people needed, the application of specific staffing guides, and the steps being taken to conserve manpower.

b. As a part of its report on its management improvement program required by Bureau of the Budget Circular No. A-8, each agency will include the following additional information in its report of September 15, 1951:

(1) Standards or other criteria developed and used to determine staffing needs for the 1953 Budget.

(2) Actions taken to adopt or strengthen the measures for conserving manpower listed in paragraph 3 of this Circular, with results achieved.

(3) Actions taken to solve manpower problems in particular shortage areas such as stenographic, with results achieved.

(4) Recommendations for changes or modifications in legislation or regulations needed to achieve manpower conservation but beyond the authority of the agency to put into effect.

c. Each agency should be prepared to report on its results in conserving manpower to the President's Advisory Committee on Management at the request of the Committee.

d. These various reports will be used to evaluate the agency's manpower conservation and utilization program; as a basis for reports to the President on results achieved; and in connection with the examination of financial requirements for agency operations.

6. Advisory committee. An interagency committee is being formed to advise the Bureau of the Budget and the Civil Service Commission on the matters covered in this Circular.

ROBERT RAMSPECK
Chairman
Civil Service Commission

FREDERICK J. LAWTON
Director
Bureau of the Budget

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